

2011 CalPERS Health Plan Rate and Benefit Changes Seminar
Northern California Sessions

Date:

Segment: Health Plan Rate and Benefit Changes Seminar

Host: Pamela Goldberg

Guests: Heidi Clark, Blue Shield

Video Transcript

Pamela Goldberg:

... representative from Blue Shield, Heidi Clark.

Heidi Clark:

Thank you so much. So just jumping right on in. So Blue Shield of California offers two plans to CalPERS membership. The first is our Access Plus HMO which you've heard of now for several years. It's really our flagship HMO. And then the second is our Net Value plan which is newer on the market and it's really our value based HMO.

So I'm going to jump into a little bit more detail as to the specifics of these two plans. So, first and foremost is our Access Plus plan. All right. So our Access Plus plan again is really our flagship HMO. It's available across the state of California and it really offers members an HMO plan option that provides them with a great deal of choice. So when you look at our slide that highlights our Access Plus plan, you can see that our network is fairly large across the state. We have over 11,000 primary care physicians available to members under the Access Plus plan. With that, we have over 300 hospitals available across the state. We also offer over 21,000 specialists that are available to members. And one of the great features through our Access Plus plan is that we have a self referral benefit available to members where they can actually self refer to one of those 21,000 specialists that's available without our network. The Access Plus benefit is also available to our Net Value members as well. And I'm going into those features a little bit later on.

Jumping into the benefits we have available under the Access Plus plan, this has been highlighted a little bit previously so we do offer a zero dollar copay for preventative services. So members that need to go for their annual exams, this would also include well baby care. And it also folds in allergy testing and treatment as well at a zero dollar copay. Office visits is just a standard \$15 office visit copayment. And if members are referred through their primary care physician, they're also going to pay another \$15 for that visit. So as I mentioned before, we do offer a self referral benefit to members. So if a member chooses to self refer to a primary care physician that's within their medical group, they're going to pay a \$30 office visit copayment.

Looking into our lab, x-ray, diagnostic treatment type services, for those benefits, members are going to pay a zero dollar copay. So with Access Plus plan you really have that predictability of knowing exactly what you're going to pay when

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you go in for services. You're going to pay nothing when you have those lab services or you have those radiology services.

Going into our hospital benefit, there's no charge for inpatient and outpatient hospitalization. It's covered at 100% predictability.

Going into our next slide. I'm going to give you a little bit more detail on our Net Value plan. As I mentioned before the Net Value plan is really our value based HMO. And it's recently expanded going into 2011 to an additional three counties. So we're proud to say that we're now going to be available to members who reside in Santa Cruz County, all of San Mateo and Santa Clara Counties. So it's available now to our Bay Area members.

So with the Net Value plan, essentially what it offers is the same rich benefits that I described under the Access Plus plan. The difference with this plan is that we actually went in, we evaluated our full Access Plus network of physicians. And we identified those doctors that met certain efficiency standards and quality practices, and we were able to build really a hybrid network of high performance physicians. And because these doctors meet these certain efficiency standards, we're able to offer a lower premium to members for the Net Value plan. So, essentially what your members are going to find is they're going to have a rich benefit offering with these high performance physicians to where they're going to save in their monthly premium. Going back to that Access Plus benefits slide, the benefits are identical. You're going to see exactly the same benefit package through our Net Value plan. So I described that zero dollar copay for preventative, 100% coverage for your lab and for your x-ray. All of those benefits, that suite of coverage, is available to you under the Net Value plan with our high performance network.

So our next slide is our 65 Plus benefit. So 65 Plus is a managed Medicare HMO plan that's available to members in certain counties in Southern California. So for those of you that are attending this session, you are predominantly here in Northern California but I'm going to go ahead and just walk you through at a high level what this plan is. So, up in the north we offer a Medicare supplemental plan and it is identical to what I described as far as the Access Plus and the Net Value plan. Down in Southern California, in our in Fresno, Kern, Los Angeles, Madera, Orange, Riverside, San Bernardino, San Luis Obispo, and Ventura counties we actually offer to those members that have Part A and Part B Medicare our Shield 65 Plus plan. It's a managed Medicare plan to where it really is a very simple product for members to use. It works just like the traditional HMO that they experience when they're an active employee to where they have a primary care physician and a medical group. Any time they need to access care they're going to go ahead and get a referral and see that doctor within their group. And they're going to pay a simple \$10 office visit copayment. The beauty of this plan is that it actually does not involve any kind of coordination with Medicare. Benefits are handled directly through the plan which would be Blue Shield of California. So

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with a traditional Medicare supplemental plan, members have to bill Medicare first and then claims go to the plan to process the secondary. With our 65 Plus plan, members just have one ID card, simply go to the doctor and they access care.

So jumping into the benefit changes that have impacted the Blue Shield plans going into 2011, the only real medical benefit change that has been put into place is the potential of a \$250 copayment for certain outpatient procedures which we've outlined here on this slide. When they're performed in an outpatient hospital setting versus an ambulatory surgery center. So, we have implemented this benefit and essentially what we're going to be doing is we're going to be communicating to our medical groups to ensure that they have an understanding that we really want to see our members who are having certain outpatient procedures directed to an ambulatory surgery type center for these services. Now when members go to an ambulatory surgery center, they're still going to enjoy that 100% coverage, no copayment for those types of services. However, if they do choose to go to an outpatient or inpatient type hospital setting for those services that could be performed in that type of environment, they are going to be subject to a \$250 copayment. Now just to let all of you know, we're going to be sending a great deal of communications out to our provider network, as I mentioned, also to our members to ensure that they have a full understanding of this benefit.

So similar to what Medco described, we also have implemented a additional layer to our out-of-pocket maximum under mail order benefits. So currently members who use our outpatient, or excuse me, our mail service benefit to where they go through mail and they get their prescription drugs delivered to their home, Blue Shield actually keeps track of the drugs sent through that service. And once members have paid out-of-pocket in copays up to \$1,000 we actually pay for their mail order medications at 100%. Right now, we allow for Blue Shield members to get those medications for non formulary, formulary brand and generic medications and we keep track of it and base that \$1,000 off all of that drug spend. But going into next year, we're only going to count into that \$1,000 out-of-pocket generic formulary medications and brand name formulary medications. And then the last two benefit changes, we currently, we offer three tiers of pharmacy benefits to CalPERS members. They have a formulary generic copayment, a brand formulary copayment and they also again have a non formulary coverage. So if a medication is not a formulary, they still have coverage for that. Now if a member has a medical need to where they cannot take a formulary medication, they can, their physician can contact Blue Shield and we can initiate a copayment waiver to where we'll actually provide them with an even more reduced copayment than what would they would normally pay for a non formulary drug. Currently members pay a \$30 copayment for those services and we're actually changing that copayment going into 2011 to \$40 when the service is received at retail, and it's going to go from \$45 to \$70 when it's

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obtained through the mail order program. So we really do want to encourage members to go through our drug formulary to receive their medications.

And then lastly, this particular benefit is a change again to our pharmacy benefit and is related to certain lifestyle medications to where we're now going to be applying a 50% co-insurance to those types of medications.

So this slide provides you with a little bit more detail as to some of the value added services that we provide to Blue Shield members. I'm not going to go through each of them. I would really encourage all of you to visit the Blue Shield website. And in the materials that you're going to be getting after this meeting, you're going to have information as to our URL. But we do offer a number of great resources including our nurse 24/7 support line to where members can actually contact or reach out to a registered nurse on Christmas Eve if need be, it's available to them. Life referrals is a great service that we're seeing a lot of members utilize during these challenging times to where they can actually get referrals to mental healthcare providers, free services, life challenges including legal support, adult daycare. Many of us have aging parents that we need support with. Life referrals is really a tool that's available to members that can help assist with that.

So one other mention that I want to call out on that particular slide on slide 55 is our Healthy Lifestyles Rewards Program. This still continues to be available to our members. Essentially what it is is it's an online wellness program where members can take charge of their own individual health. Just for taking the wellness assessment, we're going to give them \$50 for taking part. If they choose to continue on in the program, they can actually earn up to \$200 a year. We pay it out to members in a Visa debit card. They can use it anywhere. They can use it at Target, Whole Foods, it's available to them to use. And it's offered to all members who are on one of our Access Plus or Net Value plan that are over the age of 18. So if you have a dependent child, somebody to that affect, they can also enroll in the program and get a Visa debit card.

So we do offer a number of discount programs to our members. And we offer up to a 25% off discount for chiropractic, acupuncture. We also offer it for massage therapy as well. If you go to one of our preferred vendors. And again on the materials, you're going to have a link to our website where you can get more information about this. But really it works similar to a Triple A discount to where you present them with your Blue Shield card and the provider's going to take 25% off the top of the bill. We also offer a discount for different online programs such as you can join Weight Watchers meetings and get a discount, 24 Hour Fitness and also drugstore.com which sells a lot of alternative healthcare type medications. So we offer a number of very useful tools to CalPERS members, but also to you as a health benefits officer. We have a dedicated website that's specific for health benefits officers. We have a dedicated support line that you can call for information and we can provide that in the meeting details as well.

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But also many of you may be receiving a customized newsletter from Blue Shield and alerts from Blue Shield that we're sending out on a semi monthly basis. And it's called In the Know. And I would encourage all of you to go out to Blue Shield's website and you can take a look at this. And for example, we sent it out after the CalPERS board made a determination on rates. Once benefits were finalized. It really keeps you in the know as to the latest changes that are happening with your Blue Shield CalPERS members. And there's a lot of really fantastic value added information that you can use in your own newsletters. So if you're sending out communications to your employees about maybe how to manage their health, how to take care of their skin during the summer, those different types of health tips, they're included In the Know. And we encourage you to take that information, copy and paste it and use it in your own newsletters or feel free to forward what we provide out to members as well.

So the next slide really goes on to provide a little bit more detail as to some of the useful tools that we have available to members. We're trying to do quite a few webinars to help keep you all informed as to changes with the Blue Shield health plan. We're trying to provide education too that's just useful from a broad scheme of things, not even looking at just your, your Blue Shield plan itself, we're trying to roll out some crack the healthcare code presentations to where you can actually help to educate your members on how best to utilize their healthcare. So how to be on top of getting your preventative screenings. Many of us have a difficult time when we go into our primary care physician remembering all the questions that come up, preparing maybe for that annual exam and so we want to help educate you as health benefits officers to share with your employees how to prep for those types of visits. And we're hoping that the information that we can provide to you will help manage the care of all your members, not just Blue Shield members. And so be on the lookout from your account representatives for more information about that.

So a question that we commonly receive from health benefits officers is how do we find a physician that is in the Blue Shield network and so the next two slides really provide you with steps as to how to go out on the Blue Shield website and find a provider. So again our URL is listed here and you're simply going to click on find a provider. And you can also contact Blue Shield's dedicated member services. We can email a hosting of doctors, we can send it by mail. So if you look at this find the provider screen, you can see the several steps that you need to go through to search for a physician. And you're really going to want to make sure that when you get to that first step of what type of group you're looking under, you're looking under government plans CalPERS. And then you'll see the selection for Access Plus or Net Value. If you have any additional questions, again I would encourage you to contact Blue Shield and we can walk you through the process or send you a directory.

So thank you so much for your time.